

THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE

September 28, 2011

Consideration and Approval of an Issuance Date Extension and a Revised Resolution 11-97 for the County of Santa Clara Energy Efficient Lighting Project (ARRA-85) - Qualified Energy Conservation Bond Program
(Agenda Item No. 6)

ACTION:

Approve an Issuance Date Extension and a Revised Resolution 11-97 for the County of Santa Clara Energy Efficient Lighting Project.

BACKGROUND:

On July 20, 2011, the Santa Clara County Energy Efficient Lighting Project (“Project”) received a Qualified Energy Conservation Bond (QECB) award of allocation of \$3,639,000 during a non-competitive QECB allocation round. The Project involves the improvement of multiple Santa Clara County (“County”) owned facilities with energy efficient lighting controls, retro-fittings and upgrades.

DISCUSSION:

Under the Qualified Energy Conservation Bond Program, the minimum energy conservation qualification for a “Publicly Owned Building” designation is an increase in facility efficiencies of at least 20%. The County has stated that the information provided in its application was mistakenly calculated based on each facility’s lighting total efficiencies, not the overall efficiency of the entire facility as required. To meet the minimum requirement, the Applicant is now requesting to expand the scope of the Project, increasing efficiencies at several sites, while removing other sites from the initial scope completely. The proposed LED lighting retrofits and upgrades involve higher upfront expense costs, but lead to far more efficient lighting use (see Table A). As a result, the new project scope will be limited to fewer facilities than those listed in the original application. The County has also completed work on one of the initial Project facilities with other ARRA funds and would like to remove that facility from the initial Project facility list as well.

The County has also requested a thirty (30) day issuance extension to November 18, 2011. The extension is necessary to achieve full financing and to complete the bond sale. The CDLAC Regulations state that if an Allocation was awarded during an Open Allocation Round, the Committee may extend a Project or Program’s expiration date up to the next regularly scheduled meeting at which time the Committee may elect to grant an additional extension up to ninety (90) days. The Project is in full compliance and eligible for an extension under the CDLAC Regulations.

RECOMMENDATIONS:

Staff recommends approval of an issuance date extension and revision to Resolution 11-97 for the County of Santa Clara Energy Efficient Lighting Project.

Prepared by Richard Fischer

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Proposed Revised Project Scope
Table A

Address	Proposed Project Cost (Allocation \$3,639,000)	Proposed Estimated Annual Savings	Existing Building Total Usage (kWh)(1)	Proposed Estimated Annual Electricity Savings (kWh)(2)	Proposed % Energy Reduction (3)	Existing Building Total Usage (kWh)(1)	Original Estimated Annual Electricity Savings (kWh)	Original % Energy Reduction
171 West Hedding Parking Garage	\$189,400	\$32,658	335,760	152,771	46%	335,760	85,714	26%
180 W Hedding MJN	\$1,696,800	\$376,842	5,416,894	1,841,744	34%	5,416,894	1,012,793	19%
840 Guadalupe Parkway - Administration Facility	\$349,950	\$31,667	773,842	154,768	20%	773,842	494,505	64%
55 W. Younger St.	\$514,555	\$105,238	1,985,835	397,167	20%	1,985,835	384,615	19%
1555 Berger Dr. No 3	\$201,900	\$33,518	748,868	163,815	22%	748,868	38,462	5%
1555 Berger Dr. No 1	\$411,375	\$67,037	1,497,736	327,630	22%	1,497,736	64,103	4%
1555 Berger Dr. No 2 REMOVED						3,744,341	274,725	7%
2310 N. 1st St. REMOVED						1,003,840	125,714	13%
2314 N. 1st St REMOVED						1,258,034	125,714	10%
70 West Hedding East REMOVED						5,461,045	824,176	15%
70 West Hedding West REMOVED						2,482,293	494,505	20%
Project Total	\$3,363,980	\$646,960	10,758,935	3,037,895	28%	24,708,488	3,925,028	18%
5% Project Contingency	\$168,199							
Total Project Fund Deposit	\$3,532,179							

(1) Represents building's total electricity consumption.

(2) Represents electricity usage reduction resulting from the implementation of Lighting Controls and LED Lighting retrofits.

(3) Represents % of electricity usage reduction relative to the total facility's electrical usage.